

News Release



ARIZONA MOTOR VEHICLE DEPARTMENT
MOTOR VEHICLE DIVISION
1801 W. JEFFERSON
PHOENIX, ARIZONA 85007
CONTACT: CYDNEY DEMODICA – 602 712-7966

ARIZONA ATTORNEY GENERAL'S OFFICE
1275 WEST WASHINGTON STREET
PHOENIX, ARIZONA 85007
CONTACT: ANDREA ESQUER – 602 542-8019

FOR IMMEDIATE RELEASE

Two Sentenced in Fuel Tax Evasion Case

(Phoenix, Ariz. – June 30, 2005) Two men pleaded guilty this week to attempting to evade fuel taxes by selling and using red-dyed diesel fuel designated for use by farmers, ranchers and others for off-road use only.

John J. Vollaro, 59, pleaded guilty to one count of Possession of Motor Fuel with Intent to Evade Taxes Due, which is an undesignated felony. He was sentenced on June 30 to two years probation and 75 hours of community service. In conjunction with the plea agreement, Vollaro paid approximately \$60,000 in back taxes and penalties to the Arizona Department of Transportation and the Internal Revenue Service.

Jeffrey M. Casillas, 39, pleaded guilty to one count of aiding and abetting Vollaro in the evasion scheme, a class 1 misdemeanor. He was sentenced on June 27 to community service already performed.

The plea agreement follows Vollaro's November 2004 State Grand Jury indictment in which he was accused of using dyed diesel in his towing company trucks for on-road purposes. Vollaro, owner of the Gilbert-based towing company Custom Towing, used the dyed diesel in his towing business's on-road vehicles, thereby evading payment of the fuel taxes. Diesel designated for off-road use is dyed red to identify it as exempt from state and federal fuel taxes.

Casillas worked for Union Distributing Company of Tucson as a salesman in the Phoenix office and struck a deal with Vollaro to sell him dyed diesel fuel. Between March 2000 and October 2002, Vollaro purchased more than 82,000 gallons of dyed diesel that was stored at Custom Towing and used by its trucks.

This case was the result of a joint investigation by the Arizona Department of Transportation's Motor Vehicle Division and the Arizona Attorney General's Office. Assistant Attorney General Paula Alleman prosecuted this case. For more information concerning dyed diesel fuel, visit www.AzFuels.com.

###